

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20006-2973

(202) 393-2266

FAX (202) 393-2156

OF COUNSEL
URBAN A. LESTER

November 8, 1999

Sam Barton
Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

RECORDATION NO.

19820-C
FILED

NOV 9 '99

2-45 PM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Mortgage and Security Agreement, dated October 29, 1999, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board under Recordation Number 19820.

The names and addresses of the parties to the enclosed document are:

Debtor: Greenbrier Railcar, Inc.
One Centerpointe Drive, Suite 200
Lake Oswego, OR 97035

Secured Party: First Security Bank, N.A.
79 South Main Street
Salt Lake City, UT 84111

A description of the railroad equipment covered by the enclosed document is:
set forth in Exhibit A attached to the Mortgage and Security Agreement.

Mr. Vernon A. Williams
November 8, 1999
Page 2

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Kim L. Bentman
for Robert W. Alvord

RWA/kb
Enclosures

NOV 9 '99

2-45 PM

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT, effective October 29, 1999 (the "Security Agreement"), is executed by GREENBRIER RAILCAR, INC., a Delaware corporation (the "Issuer"), in favor of FIRST SECURITY BANK, N.A. (formerly known as First Security Bank of Utah, N.A.), a national banking association, not in its individual capacity but solely as trustee ("Trustee").

RECITALS:

A. Issuer has entered into (i) a Trust Indenture dated as of June 29, 1995 (the "Indenture") with Trustee, and (ii) a Note Purchase Agreement dated as of June 29, 1995 (the "Note Purchase Agreement") with the noteholders signatory thereto (the "Noteholders") and Internationale Nederlanden Lease Ireland B.V. (Dublin Branch), as agent (the "Agent"), providing for the commitment of Noteholders thereunder to purchase certain secured promissory notes (the "Notes") of Issuer.

B. Noteholders made Advances to Issuer under the Indenture and the Note Purchase Agreement on December 20, 1995, June 18, 1996 and December 2, 1996; however, certain railcars which made up a portion of the Collateral Pool have been destroyed, and Issuer wishes to substitute additional railcars therefore.

C. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Indenture.

1. GRANT OF SECURITY

Issuer in consideration of the premises and of other good and valuable consideration, receipt of which is hereby acknowledged, and to secure the payment of the Obligations does hereby convey, warrant, mortgage, assign, pledge and grant to Trustee, its successors and assigns, for the benefit of the Noteholders and Agent, a security interest in, all and singular of Issuer's right, title and interest in and to the properties, rights, interests and privileges described in Sections 2.1, 2.2 and 2.3 hereof (all of which properties hereby mortgaged, assigned and pledged or intended so to be are hereinafter collectively referred to as the "Collateral").

2. DESCRIPTION OF COLLATERAL

2.1 Railcars

The Collateral includes the railroad cars described in Schedule 1 attached hereto and made a part hereof constituting the Railcars leased and delivered under the Lease Schedule or Schedules referenced on Schedule 1 attached hereto (collectively, the "Lease Schedules"); together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the Railcars hereinabove described, whether now owned or hereafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all of said Railcars, together with all the rents, issues, income, profits and avails therefrom.

2.2 Rental Collateral

The Collateral also includes all right, title, interest, claims and demands of Issuer as Lessor in, to and under the Lease Schedules and, to the extent they relate to the Railcars or the Lease Schedules, the Lease and the Remarketing Agreement, including all extensions of the term of the Lease, the Remarketing Agreement, and the Lease Schedules, together with all rights, powers, privileges, options and other benefits of Issuer as Lessor under the Lease, the Remarketing Agreement, and the Lease Schedules, as well as any leases and lease schedules entered into in replacement of the Lease and the Lease Schedules, including without limitation:

(a) The immediate and continuing right to receive and collect all Rent (as defined in Section 9 of the Lease), Casualty Value payments (as referenced in Section 10 of the Lease), insurance proceeds, condemnation awards and other payments, tenders and security now or hereafter payable or receivable by the Lessor under the Lease or any replacement lease or the Remarketing Agreement (to the extent such payments relate to the Railcars or the Lease Schedules) or the Lease Schedules or any replacement lease schedules pursuant thereto;

(b) the right to make all waivers and agreements and to enter into any amendments relating to the Remarketing Agreement, the Lease or any replacement lease or the Lease Schedules or any replacement lease schedules or any provision thereof; and

(c) the right, subject to the proviso of Section 6.1(e) of the Indenture, to take such action upon the occurrence of a Lease Event of Default under the Lease or any replacement lease or an event which, with the lapse of time or the giving of notice, or both, would constitute a Lease Event of Default under the Lease or any replacement lease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by law, and to do any and all other things whatsoever which Issuer or any lessor is or may be entitled to do under the Lease or any replacement lease;

it being the intent and purpose hereof that the assignment and transfer to Trustee, on behalf of itself, Agent and the Noteholders, of said rights, powers, privileges, options and other benefits shall be effective and operative immediately and shall continue in full force and effect, and subject to the terms of the Indenture, Trustee, on behalf of itself, Agent and the Noteholders, shall have the right, at its option, to collect and receive all Rent, Casualty Value payments, and other sums relating to the Lease Schedules or the Railcars for application in accordance with the Indenture at all times after the date of this Security Agreement until the Obligations have been fully paid and discharged.

2.3 Proceeds

The Collateral also includes all proceeds of the foregoing Collateral. The term "proceeds" as used in this Security Agreement includes whatever is receivable or received when Collateral or proceeds is sold, leased, collected, exchanged or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes, without limitation, all rights to payment, including return premiums, with respect to any insurance relating thereto.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

Issuer represents, warrants, covenants and agrees (i) that the representations and warranties contained in Section 4 of the Note Purchase Agreement are true and correct as of the execution of this Security Agreement and that such representations and warranties shall survive the execution and delivery of this Security Agreement, and (ii) during the term of this Security Agreement and until its performance of all Obligations, Issuer will abide by all of the covenants contained in the Indenture and the Note Purchase Agreement.

4. DEFAULTS AND OTHER PROVISIONS

When an Event of Default exists, Trustee may exercise any and all rights available to it pursuant to Section 7 of the Indenture.

5. MISCELLANEOUS

5.1 Appointment of Trustee as Attorney

Issuer hereby constitutes and appoints Trustee the true and lawful attorney of Issuer, irrevocably, with full power in the name of Issuer or otherwise (except as set forth in Section 5.5(a) of the Indenture) (a) to enforce compliance with the Lease by Lessee, (b) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys due and to become due that are part of the Collateral or arise out of or under the Lease or any replacement lease or the Remarketing Agreement (to the extent they relate to the Railcars or the Lease Schedules) or the Lease Schedules or any replacement lease schedules, (c) to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which Trustee deems to be necessary or advisable in the performance of its duties hereunder.

5.2 Successors and Assigns

Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Security Agreement contained by or on behalf of Issuer or by or on behalf of Trustee, Agent or any Noteholder, shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

5.3 Partial Invalidity

The unenforceability or invalidity of any provision or provisions of this Security Agreement shall not render any other provision herein contained unenforceable or invalid.

5.4 Notices

All notices provided for herein shall be deemed to have been duly given or made when delivered in compliance with Section 13.4 of the Indenture.

5.5 Amendments

This Security Agreement may only be amended or supplemented as provided in Section 7.8 of the Note Purchase Agreement.

5.6 Governing Law

This Security Agreement shall be construed and enforced in accordance with and governed by the laws of New York applicable to contracts made and to be performed entirely within such State.

5.7 Recourse

The rights of Trustee, Agent, and the Noteholders to seek recourse against Issuer are limited by Section 2.18 of the Note Purchase Agreement.

IN WITNESS WHEREOF, the Issuer has executed this Security Agreement this 22nd day of October, 1999, by its duly authorized officer.

Issuer:

GREENBRIER RAILCAR, INC.

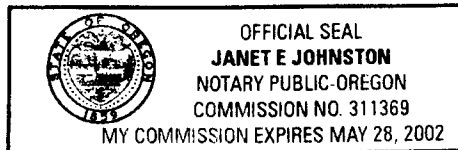
By: Norris M. Webb

Title: Vice President

STATE OF OREGON)
) ss.
County of Clackamas)

On this 21st day of October, 1999, before me personally appeared Norriss M. Webb, to me personally known, who being by me duly sworn, says that s/he is the Vice President of Greenbrier Railcar, Inc., that the foregoing instrument was signed on behalf of said corporation, and s/he acknowledged that the execution of the said instrument was her or his free act and deed.

Janet E Johnston
Notary Public for Oregon
My commission expires 5/28/2002



SCHEDULE 1
To
MORTGAGE AND SECURITY AGREEMENT
DATED OCTOBER 29, 1999

LEASE SCHEDULE(S):

Lease Schedule No. 63, dated as of April 10, 1998, between Issuer, as Lessor, and Union Pacific Railroad Company as successor-by-merger with Southern Pacific Transportation Company and St. Louis Southwestern Railway Company (collectively "Lessee"), to the Master Lease Agreement dated as of March 14, 1991 between Issuer and Lessee (as amended by the letter agreement dated April 19, 1995).

RAILCAR(S):

See attached Exhibit A

EXHIBIT A

Lease Schedule	Project Number	Car and	Marks Numbers
63	07G	GVSR	700065
63	07G	GVSR	700088
63	07G	GVSR	700097
63	07G	GVSR	700099
63	07G	GVSR	700100
63	07G	GVSR	700101
63	07G	GVSR	700102
63	07G	GVSR	700103
63	07G	GVSR	700107
63	07G	GVSR	700109
63	07G	GVSR	700110
63	07G	GVSR	700112
63	07G	GVSR	700123
63	07G	GVSR	700126
63	07G	GVSR	700127
63	07G	GVSR	700131
63	07G	GVSR	700132
63	07G	GVSR	700134
63	07G	GVSR	700135
63	07G	GVSR	700136
63	07G	GVSR	700138
63	07G	GVSR	700140
63	07G	GVSR	700141
63	07G	GVSR	700142
63	07G	GVSR	700143
63	07G	GVSR	700144
63	07G	GVSR	700146
63	07G	GVSR	700147
63	07G	GVSR	768319
63	07G	GVSR	768320